## **DEPARTMENT OF FINANCE BILL ANALYSIS**

AMENDMENT DATE: June 28, 2011 BILL NUMBER: SB 760 POSITION: Neutral AUTHOR: E. Alquist

**SPONSOR:** California Student Aid Commission

BILL SUMMARY: Postsecondary Education: The Cal Grant Program

This bill would provide technical cleanup to reporting requirements of institutions that elect to participate in the Cal Grant program, and would allow the California Student Aid Commission (Commission) to use institutional data already available from federal and state agencies in order to satisfy these requirements.

## FISCAL SUMMARY

According to the Commission, this bill would not result in additional state operations costs as the Commission would gather federal institutional data from the publicly-available Integrated Postsecondary Education Data System (IPEDS). Further, the bill would likely mitigate the state operations cost for institutions that elect to participate in the Cal Grant program by allowing the Commission to utilize data already reported by the institutions for federal Title IV financial aid eligibility.

## **COMMENTS**

The Department of Finance is neutral on this bill as it would streamline duplicative reporting for institutional participation in the Cal Grant program by allowing the Commission to utilize data already provided by institutions.

The IPEDS is a system of interrelated surveys conducted annually, which gathers information from every college, university, and technical and vocational institution in the United States that participate in the federal student financial aid programs. The Higher Education Act of 1965, as amended, requires that institutions that participate in federal student aid programs report data on enrollments, program completions, graduation rates, faculty and staff, finances, institutional prices, and student financial aid.

Currently, institutions electing to participate in the Cal Grant program must report to the Commission on college enrollment, persistence, and graduation data for all students. Additionally, institutions are required to report job placement and salary information for programs that are designed, advertised, or promoted to lead to job placement or a particular type of job. According to the author's office, this bill would reduce the burden of reporting on institutions and data collection on the Commission.

We note that while the IPEDS is available to provide federal data, it is unclear which state agencies would provide data to the Commission. General Fund support for the California Postsecondary Education Commission (CPEC) was eliminated in the 2011-12 Budget. According to the Commission, the Employment Development Department may be able to provide employment related information.

| Analyst/Principal<br>(0362) | Date    | Program Budget Manager<br>Nick Schweizer | Date                        |  |
|-----------------------------|---------|--|-----------------------------|--|
| Department Deputy Di        | irector | Date                                     |                             |  |
| Governor's Office:          | By:     | Date:                                    | Position Approved           |  |
|                             |         |  | Position Disapproved        |  |
| BILL ANALYSIS               |         |  | Form DF-43 (Rev 03/95 Buff) |  |
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|---|---------------|------------------------|-----|--------------|---------------------|-----------|------------|--|
| AUTHOR  |               |                        | AME | NDMENT DATE  |                     | BILL NUME | BER        |  |
| E. Alquist                                    | June 28, 2011 |                        |     |              |                     | SB 760    |            |  |
|   | SO            |                        |     | (Fiscal Imp  | act by Fiscal Year) |           |            |  |
| Code/Department                               | LA            | (Dollars in Thousands) |     |              |                     |           |            |  |
| Agency or Revenue                             | CO            | PROP                   |     | •            | ,                   |           | Fund       |  |
| Туре  | RV            | 98                     | FC  | 2011-2012 FC | 2012-2013 FC        | 2013-2014 | Code       |  |
| 7980/Student Aid                              | SO            | No                     | -   | No/Min       | or Fiscal Impact    |           | 0001       |  |